

What is BAH & How is BAH determined?

There are three components to BAH: rent, utilities & renters insurance. The source for the Rent component is locally collected and verified data from rental properties. The rent rate is set using the median rental rate by profile. The utilities component rely on data from local utility companies, the Bureau of Census, and the National Oceanic and Atmospheric Administration and is set using the average consumption by profile types. Renters Insurance comes from the average price given from major insurance carriers.

BAH is set by geographical location, pay grade and dependent status, not family size.

What are Housing Profiles?

There are 6 standard housing profiles used to correlate types of homes to pay grades.

Housing Profiles		
6 Standard Housing Profiles		
Profile	Grade With Dependents	Grade Without Dependents
1 Bedroom Apartment		E4
2 Bedroom Apartment		O1
2 Bedroom Townhouse	E5	O1E
3 Bedroom Townhouse	E6	O3E
3 Bedroom House	W3	O6
4 Bedroom House	O5	

Five of these six profiles (#2 thru 6) are used to set the accompanied Soldier (With Dependents) BAH rates. These five profiles are used as anchor points for specific ranks and the remaining ranks are set by prorating between the anchor points as follows:

Pay Grade	
E-1	Profile 2 + 50% of the difference between Profile 2 & 3
E-2	Profile 2 + 50% of the difference between Profile 2 & 3
E-3	Profile 2 + 50% of the difference between Profile 2 & 3
E-4	Profile 2 + 50% of the difference between Profile 2 & 3
E-5	Profile 3
O-1	Profile 3 + 11% of the difference between Profile 3 & 4
O-2	Profile 3 + 98% of the difference between Profile 3 & 4
E-6	Profile 4
W-1	Profile 4 + 1% of the difference between Profile 4 & 5
E-7	Profile 4 + 36% of the difference between Profile 4 & 5
O-1E	Profile 4 + 44% of the difference between Profile 4 & 5
W-2	Profile 4 + 52% of the difference between Profile 4 & 5
E-8	Profile 4 + 75% of the difference between Profile 4 & 5
O-2E	Profile 4 + 93% of the difference between Profile 4 & 5
O-3	Profile 4 + 98% of the difference between Profile 4 & 5
W-3	Profile 5
E-9	Profile 5 + 16% of the difference between Profile 5 & 6
W-4	Profile 5 + 22% of the difference between Profile 5 & 6
O-3E	Profile 5 + 26% of the difference between Profile 5 & 6
W-5	Profile 5 + 48% of the difference between Profile 5 & 6
O-4	Profile 5 + 58% of the difference between Profile 5 & 6
O-5	Profile 6
O-6	Profile 6 + 1%
O-7	Profile 6 + 2%

It is illustrative to note that the SGT E5 BAH is set as an anchor point to profile 3, the two bedroom townhouse. Every SGT family living in a three or four bedroom market rental home is expected to be paying a portion of their housing expense as “out of pocket”. The same situation exists for every junior enlisted family, ranks PVT through SPC.

The SSG anchor point is profile 4, the three bedroom townhouse. Every SSG family living in a four bedroom market rental home is expected to be paying a portion of their housing expense as “out of pocket”.

What is a MHO?

MHOs – Military Housing Offices role in the BAH submission is to provide accurate rental information, provide referrals to real estate professionals and indicate unacceptable areas for data collection from other sources. The MHO makes three BAH submissions; 1 in May, 1 in June & 1 in July. June & July’s submissions are for updates of any newly vacant and available properties.

Who verifies data submitted and when does that occur yearly?

Runzheimer International is the third party validator for all DoD submissions. Runzheimer’s scope is to identify rental properties, validate the data & calculate median rents. DoD sets the BAH rates for each of the 400 MHAs CONUS wide. MHAs are a collection of zip codes that are generally county based, within 20 miles and may contain more than one military installation. NNY225 is Fort Drum’s & Coast Guard Alexandria Bay’s MHA.

Submissions are done via web based templates provided by Runzheimer. Timelines for yearly submission:

- May, Jun & July – MHOs submit data
- Sep – DOD begins rate calculations
- Nov – Services begin review of proposed rates
- Dec – publish rates for the following calendar year
- Jan – DOD begins paying new rates

*What are the BAH Rates
for Fort Drum for 2007?*

PAY GRADE	BAH w/ Dep	BAH w/o
E-1	\$867	\$640
E-2	\$867	\$640
E-3	\$867	\$640
E-4	\$867	\$640
E-5	\$966	\$725
O-1	\$990	\$767
O-2	\$1,169	\$781
E-6	\$1,174	\$829
W-1	\$1,175	\$872
E-7	\$1,235	\$932
O-1E	\$1,249	\$966
W-2	\$1,263	\$1,006
E-8	\$1,303	\$1,008
O-2E	\$1,333	\$1,058
O-3	\$1,342	\$1,072
W-3	\$1,345	\$1,078
E-9	\$1,372	\$1,099
W-4	\$1,383	\$1,174
O-3E	\$1,389	\$1,189
W-5	\$1,426	\$1,242
O-4	\$1,444	\$1,251
O-5	\$1,515	\$1,282
O-6	\$1,527	\$1,345
O-7+	\$1,545	\$1,372



For More Information on BAH:

<https://secureapp2.hqda.pentagon.mil/perdiem/bah.html>



BAH Basic Allowance For Housing

Produced by Public Works Housing, Fort Drum, NY
<http://www.drum.army.mil/garrison/pw/Housing.html>